

**Election to Participate in the MERS Deferred Retirement Option Program (DROP)**

**PART I - GENERAL EMPLOYER INFORMATION AND INSTRUCTIONS - PLEASE READ CAREFULLY**

If you have any questions prior to helping your employee fill out this form, please call the Customer Service Unit at (860) 702-3480 or visit our website at <http://www.osc.ct.gov/rbsd/cmers/muniretire.htm> for additional information. You must attach the following documents to this application.

- (a) The original "Income payment election" (Option A, B, C, or D based upon member's choice).
- (b) Copy of member's birth certificate and if applicable, a copy of spouse's or contingent annuitant's birth certificate.
- (c) As applicable, a Certification of Marital Status or a Spouse Waiver of Survivor Benefit and/or a Marriage Certificate.
- (d) A Designation of Beneficiary for DROP Account Form

Please mail the original of this application with **all** of the above attachments to: Retirement Services Division, 165 Capitol Avenue, Hartford, CT 06106 at least thirty (30) calendar days prior to the effective date of retirement.

**PART II - APPLICANT INFORMATION AND IDENTIFICATION**

APPLICANT'S NAME: (Last, First, M.I.)		SOCIAL SECURITY NO.
EMAIL ADDRESS		MEMBER ID
HOME ADDRESS		HOME NUMBER (INCLUDE AREA CODE)
MUNICIPAL EMPLOYER		DATE OF BIRTH
APPLICANT'S JOB TITLE		DATE OF HIRE
IS THERE A QUALIFIED DOMESTIC RELATIONS ORDER (QDRO)?	YES	NO

**PART III - SIGNATURES**

I acknowledge that prior to signing my application to enter the DROP, I was given the opportunity to ask questions and obtain additional information with regard to my retirement. I understand that if I contributed to CMERS as well as Social Security, my CMERS retirement benefit is reduced when I am eligible for Social Security (age 62) or earlier if I receive a Social Security disability benefit. I **must** inform CMERS if I receive a social security disability award prior to the age of 62.

EFFECTIVE RETIREMENT DATE	APPLICANT'S SIGNATURE	DATE
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On behalf of the employer, I hereby certify that all the information on the application is correct.

AUTHORIZED EMPLOYER SIGNATURE	TITLE	DATE
EMPLOYER CONTACT (PRINT NAME)	EMPLOYER CONTACT TELEPHONE NUMBER	EMPLOYER CONTACT EMAIL ADDRESS

**Resignation from Employment to Participate in the DROP:**

I elect to participate in the DROP pursuant to Conn. Gen. Stat. § 7-459b, beginning the date indicated below and resign my employment on the date I terminate from the DROP, as indicated below. I understand that my DROP participation cannot exceed 60 months from my DROP begin date, as allowable by law, although I may elect to participate for less than 60 months.

DROP Participation Begin Date:    /    /                      DROP Termination (Resignation Date):    /    /

I understand that participation in the DROP does not guarantee my continued employment for the DROP period.

I understand that I must terminate all employment with all MERS employers following the DROP period.

I understand I cannot add service, change options or change the contingent annuitant after my DROP begin date.

I have read and understand the DROP Accrual and Distribution information provided with this form.

I understand that my benefit will not increase with additional service and salary earned during my DROP period and cost-of-living adjustments (COLAs) will not accrue while I am in the DROP but will first commence after I exit the DROP in accordance with the CMERS provisions in effect on the date I entered the DROP.

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**PART IV - EARNINGS DUE TO RETROACTIVE PAYMENTS**

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Retroactive payments are retroactive salary increases or retroactive annual increments pursuant to a collective bargaining agreement as the result of an arbitration award. These amounts are subject to CMERS contributions. Please list any such payments that were for a period that could be in one of the member's "high three" years of earnings. **IMPORTANT NOTE:** Do not include **ANY** lump sum reimbursements for accrued sick or vacation time, settlement awards, severance pay or monies contributed to an employee's defined contribution or deferred compensation plan in your calculation of "earnings" under this category. These sums are not to be included in the computation of a member's retirement benefit and contributions should not be made on these monies.

Amount Lump Sum Payment	Date of Payment	Dates Payment Applies to		Purpose
		From	To	

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**PART V - LEAVES OF ABSENCE (UNPAID)**

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Provide separate and chronological listings of types of leaves of absences without pay and workers' compensation leaves if applicable	Dates of Leave		Type of Leave (specify)
	From	To	

## **DROP Accrual Distribution Methods**

When your participation in DROP begins, your DROP benefit is based on the option selected at retirement (begin date for the DROP), and will accrue, with interest, for the duration of your DROP participation. Upon your termination of employment and terminating the DROP, you must elect one of the following methods of payment for the DROP benefit within 120 days of your DROP employment termination.

### **1. Lump sum**

All accrued DROP benefits, plus interest, less 20 percent tax remitted to the Internal Revenue Service (IRS), shall be paid to the DROP participant or the surviving beneficiary.

### **2. Direct rollover**

All accrued DROP benefits, plus interest, shall be paid from the DROP directly to the custodian of an eligible retirement plan as permitted under Internal Revenue Code section 401(a)(31).

### **3. Partial lump sum**

A portion of the accrued DROP benefits shall be paid to the DROP participant or surviving spouse, less IRS tax, and the remaining DROP benefits shall be transferred directly to the custodian of an eligible retirement plan as permitted under Internal Revenue Code section 401(a)(31).

If you do not make an election of one of the above methods within the 120-day period, MERS may pay directly to you the accrued benefits in a lump sum, less IRS tax. If you fail to terminate your employment on your DROP termination date, your retirement will be null and void and your MERS membership re-established retroactively to the date you began the DROP.